

**358C.17 Special assessments.**

1. The board of trustees of a real estate improvement district may provide for payment of all or any portion of the costs of a public improvement as specified in [sections 358C.1 and 358C.4](#), by assessing all, or any portion of, the costs on adjacent property according to the benefits derived. For the purposes of [this chapter](#), the board of trustees may define “*adjacent property*” as all that included within a designated benefited district to be fixed by the board, which may be all of the property located within the real estate improvement district or any lesser portion of that property. It is not a valid objection to a special assessment that the improvement for which the assessment is levied is outside the limits of the district, but a special assessment shall not be made upon property situated outside of the district. Special assessments pursuant to [this section](#) shall be in proportion to the special benefits conferred upon the property, and not in excess of the benefits. The value of a property is the present fair market value of the property with the proposed public improvements completed. Payment of installments of a special assessment against property shall be made in the same manner and under the same procedures as provided in [chapter 384](#) for special assessments by cities. Notwithstanding the provisions of [section 384.62](#), the combined assessments against any lot for public improvements included in the petition creating the real estate improvement district or as authorized in [section 358C.4](#) shall not exceed the valuation of that lot as established by [section 384.46](#).

2. The assessments may be made to extend over a period not to exceed fifteen years, payable in as nearly equal annual installments as practicable. A majority vote of the board of trustees is requisite and sufficient for any action required by the board of trustees under [this section](#).

3. Subject to the limitations otherwise stated in [this section](#), a district organized under [this chapter](#) has all of the powers to specially assess the costs of improvements described in [this section](#), including the power to issue special assessment bonds, warrants, project notes, or other forms of interim financing obligations, which cities have under the laws of this state.

4. A special assessment under [this section](#) shall be recorded in the county in which the district is located for each lot in the district.

5. Notwithstanding [section 384.65, subsection 5](#), a district shall have a lien on the benefited property only in the amount of special assessment installments that have come due but have not been paid. The district shall not have a lien for the total amount of the special assessment originally levied against the benefited property. A lien, including, but not limited to, a lien for a mortgage for the construction or the purchase of housing on property benefited by improvements and against which a special assessment is levied under [this chapter](#), shall have precedence over a special assessment which has been levied by the district but is not due. A district’s lien shall only be in the amount of installments whose due dates have passed without payment, along with all interest and penalties on the delinquent installments. The district’s lien for delinquent installments, interest, and penalties shall have equal precedence with ordinary taxes and shall not be divested by judicial sale. Any remaining special assessment installments that have not become due shall not be divested by judicial sale and shall become a lien when the special assessment installments become due.

[95 Acts, ch 200, §17; 96 Acts, ch 1034, §33; 96 Acts, ch 1204, §7, 8](#)

Referred to in [§358C.16](#)